

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

In re:

Bankruptcy Case No. 18-33707

Diocese of Winona-Rochester,

Chapter 11 Case

Debtor.

STIPULATION FOR ORDER LIFTING STAY OF PROCEEDINGS

1. On May 21, 2019, the court appointed John E. Vukelich as mediator. After multiple mediation sessions, an agreement was reached among the Diocese of Winona-Rochester (the “Diocese”), the Official Unsecured Creditors Committee (the “Committee”), the attorneys representing the vast majority of the sexual abuse survivors who have asserted claims against the Diocese (Jeff Anderson and Associates, P.A.) and certain Underwriters at Lloyd's, London (“LMI”) and Interstate Fire & Casualty (“Interstate”), concerning contributions from LMI and Interstate for sexual abuse claims for which the Diocese sought coverage from these insurers.

2. On July 29, 2020, the court appointed Paul J. Van Osselaer as an additional mediator to supplement the efforts of Mr. Vukelich as the parties attempted to reach a negotiated resolution that included United States Fire Insurance Company (“U.S. Fire”) and 21st Century Centennial Insurance Company (f/k/a Colonial Penn Insurance Company) (“Colonial Penn”).¹

¹ In addition to U.S. Fire and Colonial Penn, the settlement reached through the mediation did not include the Diocese’s and other Protected Parties’ potential exposure for sexual abuse claims implicating coverage from the following additional insurance companies: (i) Northwestern National Insurance Company of Milwaukee Wisconsin (“Northwestern National”); (ii) Stronghold Insurance Co. Ltd. (“Stronghold”); and (iii) CX Reinsurance Company Ltd. (“CX”). Northwestern National is the subject of a state court insolvency proceeding in Wisconsin. Stronghold and CX are each the subject of insolvency proceedings in the United Kingdom.

3. After an additional lengthy mediation session and further settlement discussions among the parties, the mediators have declared an impasse with respect to the efforts to reach a settlement with U.S. Fire and Colonial Penn.

4. The order appointing Mr. Vukelich as mediator provides that all deadlines in adversary proceeding no. 18-03094 are extended and all proceedings in the adversary proceeding are suspended while the mediation is ongoing.

5. In light of the impasse with respect to U.S. Fire and Colonial, the Diocese, the Committee, Jeff Anderson and Associates, P.A. (as counsel on behalf of certain sexual abuse survivors), U.S. Fire and Colonial Penn, through their undersigned counsel, stipulate to entry of the attached order lifting the stay of proceedings in adversary proceeding no. 18-03094 as it relates to U.S. Fire and Colonial Penn.

6. The undersigned parties have authorized debtor's counsel to submit this stipulation with their electronic signatures as set forth below.

WHEREFORE, the undersigned parties respectfully request that this Court enter an order in the form attached lifting the stay of proceedings.

Dated: April 12, 2021

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ORDER LIFTING STAY OF PROCEEDINGS

This case is before the court on the parties' stipulation for order lifting stay of proceedings. Based on the stipulation and the file,

IT IS ORDERED:

The stay of proceedings in adversary proceeding no. 18-03094 is lifted as it relates to United States Fire Insurance Company and 21st Century Centennial Insurance Company (f/k/a Colonial Penn Insurance Company).

Dated:

United States Bankruptcy Judge